OFFICE OF THE MAYOR CITY AND COUNTY OF HONOLULU

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ROY K. AMEMIYA, JR. MANAGING DIRECTOR

GEORGETTE T. DEEMER DEPUTY MANAGING DIRECTOR

CITY AND COUNTY OF HONOLULU BEFORE THE COMMITTEE ON WAYS AND MEANS MONDAY, FEBRUARY 27, 2017; 1:35 PM

- TO: THE HONORABLE JILL N. TOKUDA, CHAIR THE HONROABLE DONOVAN M. DELA CRUZ, VICE CHAIR AND MEMBERS OF THE COMMITTEE ON WAYS AND MEANS
- FROM: ROY K. AMEMIYA, JR., MANAGING DIRECTOR CITY AND COUNTY OF HONOLULU
- SUBJECT: SUPPORT OF SB1290, SD1 RELATING TO THE TRANSIENT ACCOMMODATIONS TAX.

The City and County of Honolulu (City) supports the provisions of this measure that provide a fair, consistent, and predictable allocation of the balance of the transient accommodations tax (TAT) revenues between the State and the counties by allocating 45 percent of the remaining revenues to the counties at the current split.

According to the Auditor's State-County Functions Working Group December 2015 Report, the City spends approximately \$116 million on visitor-related expenses and this number continues to grow. The other counties also spend significant amounts on visitor-related expenses. This measure recognizes the counties' contributions towards our visitor industry.

Thank you for your consideration of this testimony in support of the provisions that amend the counties' allocation of the TAT.

KIRK CALDWELL MAYOR JEN RUGGLES Council Member District 5 – Puna Mauka, Pahoa Mauka, Kalapana

Phone: 808-961-8236 **Fax:** 808-961-8912 **Email:** Jen.Ruggles@hawaiicounty.gov



Public Works & Parks and Recreation Committee Chair Public Safety & Mass Transit Committee Chair

> Hawai'i County Building 25 Aupuni St. Suite 2404 Hilo, HI 96720

HAWAI'I COUNTY COUNCIL

February 27, 2017

To: Hawai'i State Senate Committee on Ways and Means

From: Jennifer Ruggles, Council Member

Re: Testimony in support of Senate Bill 1290 SD1 relating to the Transient Accommodations Tax

Dear Honorable Chair Jill N. Tokuda and members of the Ways and Means Committee,

I urge you to pass Senate Bill 1290 SD1 relating to the allocation of 45% of the Transient Accommodations Tax to the Counties. As a County Council Representative for the poorest district of Hawaii County, which according to mayor Harry Kim is the poorest County in the state, please understand how significant of a need that there is for our County to receive these funds.

The TAT is the second largest source of revenue for our County, second only to real property tax. With an ever greater need to service our community, allocating 45% of the TAT to the counties will help us to provide basic services which are currently being threatened by a lack of County funds.

Considering that the Counties are responsible for providing such a large part of the infrastructure and basic services for the island, such as maintaining the majority of the islands roads, and paying for our police and fire departments among other things, the passage of this bill will significantly impact the people of this island in a positive way.

If you have any questions regarding my support for this bill please do not hesitate to contact my office.